

Document Information

1. Document Details

Title:	Debtor Policy
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Version No:	1
Status:	Approved

Important Note: If the 'Status' of this document reads 'Draft', it has not been finalised and should not be relied upon.

2. Revision History

Version	Revision Date	Summary of Changes	Changes tracked?
1	Oct 2020	Creation of the Debtors Policy	-
2			
3			
4			
5			

3. Relevant Existing/Related Documents

Existing Policies in CIT & ITT

4. Consultation History

This document has been prepared in consultation with the following bodies:

CIT & ITT Finance Offices

5. Approvals

This document requires following approvals (in order where applicable):

Name	Date	Details of Approval Required
Governing Body	29/01/20 21	Approval of Governing Body

Debtor Policy

1. Applicability of Policy

The policy applies to all debtors of the University, excluding student and other fee income. Its aim is to set out the framework for the Institute to deal with its debtors, to record sums due on a timely basis and facilitate debts collection.

2. Classes of Debtors

The University has a number of classes of Debtors covering both its Main-scheme and Self-Financing activities. These classes of Debtors are important as their treatment under this policy will vary. The three classes of debtors are:

- Trade Debtors
- Non-Invoiced Debtors
- Work in progress

3. Trade Debtors

Invoices are issued by the Income office and the Research office on receipt of a completed invoice request. The payment terms on all invoices is 30 days. All invoices vary in their treatment with VAT applying where needed.

4. Non-Invoiced Debtors

Grant Income represents the main element of the non-invoiced debtors and relate in particular to Research & Development projects. These operate in a number of ways – with some funding agencies providing advance payments and some using allocations based on financial reports submitted.

5. Work in Progress

Work in Progress represents the cost of work carried out by the University on various projects, in excess of which the University has either invoiced the client or received payment. This is calculated annually at year end. The figure is included under “Other Debtors” in the University’s Financial Statements.

6. Issuing Statements

Statements are issued to Trade Debtors on a monthly-basis by the Income Office.

7. Follow Up – General Income

Trade Debtors are reviewed on a monthly basis by the Income Office and approved by the Financial Accountant. Debtors over €10k are compiled and forwarded to the Finance Manager and Financial Accountant in advance of the relevant Governing Body Committee meetings for inclusion in the Finance Managers report presented at each meeting.

The following procedure will apply

- Debtors in excess of 90 days are emailed with a phone call follow up.
- Debtors in excess of 120 days are notified of our intention to pass the debt on to a third party for collection.
- Debtors in excess of 150 days will receive a letter from our debt collection agency.
- Records of phone calls and correspondence to be retained with the Debtors Report.

8. Follow Up – Grant Income

Debtors relating to grant income are usually subject to a contract with state and non-state funding agencies. The debt in this case refers to the final payment due on a grant, which often requires a technical review of the project to be completed before the final payment is released. In some EU / State funded projects this process can take several months. A review of such debtors will be carried out annually by the relevant Finance Officer within the Research & Development Office and amounts outstanding will be followed up.

9. Reporting

Serious issues in relation to Debtors will be included on the Finance Report to both the University's Executive and the relevant Governing Body Committee. A supplementary report will be added where necessary.

10. Bad & Doubtful Debts

The approval of the relevant Governing Body Committee will be required to write off any uncollectable debt exceeding €3,000

11. Approval and Modification of the Debtors Policy

Any modification to the Debtors Policy shall require the approval of the Governing Body.

This Debtors Policy was approved by the Governing Body on 29th January 2021